



FEDERAL MARITIME COMMISSION

Controlled Carriers under the Shipping Act of 1984

AGENCY: Federal Maritime Commission

ACTION: Notice

SUMMARY: The Federal Maritime Commission is publishing an updated list of controlled carriers, i.e., ocean common carriers operating in U.S.-foreign trades that are owned or controlled by foreign governments. Such carriers are subject to special regulatory oversight by the Commission under the Shipping Act of 1984.

FOR FURTHER INFORMATION CONTACT: Tyler J. Wood, General Counsel, Federal Maritime Commission, 800 North Capitol Street, N.W., Washington, D.C. 20573, (202) 523-5740

SUPPLEMENTARY INFORMATION: The Federal Maritime Commission is publishing an updated list of controlled carriers. Section 3(8) of the Shipping Act of 1984 (46 U.S.C. 40102(8)), defines a “controlled carrier” as an ocean common carrier that is directly or indirectly owned or controlled by a government. Ownership or control by a government is deemed to exist for a carrier if (1) a majority of the interest in the carrier is owned or controlled in any manner by that government, an agency of that government, or a public or private person controlled by that government, or (2) that government has the right to appoint or disapprove the appointment of a majority of the directors, the chief operating officer, or the chief executive officer of the carrier.

As required by the Shipping Act, controlled carriers are subject to special oversight by the Commission. Section 9(a) of the Shipping Act (46 U.S.C. 40701(b)), provides that the Commission may, after providing notice and opportunity for a hearing, prohibit the publication or use of a rate, charge, classification, rule, or regulation that a controlled carrier has failed to

demonstrate is just and reasonable. Congress enacted these protections to ensure that controlled carriers, whose marketplace decision-making can be influenced by foreign governmental priorities or by their access to non-market sources of capital, do not engage in unreasonable below-market pricing practices which could disrupt trade or harm privately-owned shipping companies.

The controlled carrier list is not a comprehensive list of foreign-owned or -controlled ships or ship owners; rather, it is only a list of ocean common carriers that are controlled by governments. *See* 46 U.S.C. 40102(8). Thus, tramp operators and other non-common carriers are not included, nor are non-vessel-operating common carriers, regardless of their ownership or control.

Since the last publication of this list on August 2, 2017 (82 FR 35946), the Commission has newly classified the following ocean common carriers as controlled carriers: Orient Overseas Container Line Limited (OOCL) and OOCL (Europe) Limited. Pursuant to 46 CFR 501.23, the Commission's General Counsel classified OOCL and OOCL (Europe) as controlled carriers on August 16, 2018, after their parent company was acquired by COSCO SHIPPING Holdings Co., Ltd.¹ Additionally, COSCO Shipping Lines (Europe) GmbH, which was removed from the controlled carriers list in 2017 after canceling all tariffs, resumed service in April 2018 and is again added to this list. COSCO Shipping Lines (Europe) GmbH was originally classified as a controlled carrier on November 9, 2015. *See Petition of COSCO Container Lines Europe GmbH for an Exemption*, Petition No. P3-15, slip op. (FMC Nov. 9, 2015).

¹ More information on this transaction can be found in Petition of Cosco Shipping Lines Co., Ltd. (COSCO), Orient Overseas Container Line Limited (OOCL), and OOCL (Europe) Limited for an Exemption from Agreement Filing, Pet. No. P2-17 (Nov. 8, 2017).

The Commission is removing CNAN Nord SPA from the list as it is no longer providing common carriage in the United States trades and is therefore no longer a controlled carrier. There are no changes to report with respect to COSCO Shipping Lines Co., Ltd.

It is requested that any other information regarding possible omissions or inaccuracies in this list be provided to the Commission's Office of the General Counsel. *See* 46 CFR 501.23.

The amended list of currently classified controlled carriers and their corresponding Commission-issued Registered Persons Index numbers is set forth below:

- (1) COSCO SHIPPING Lines Co., Ltd. (RPI No. 015614) – People's Republic of China;
- (2) Orient Overseas Container Line Limited (RPI No. 011398) – People's Republic of China;
- (3) OOCL (Europe) Limited (RPI No. 024786) – People's Republic of China;
- (4) COSCO Shipping Lines (Europe) GmbH (RPI No. 025509) – People's Republic of China.

By the Commission.

Rachel Dickon
Secretary
Billing Code: 6731-AA

[FR Doc. 2019-08692 Filed: 4/29/2019 8:45 am; Publication Date: 4/30/2019]